

The AMERICAN OBSERVER

A free, virtuous and enlightened people must know well the great principles and causes on which their happiness depends. — James Monroe

VOLUME I, NUMBER 31

WASHINGTON, D. C.

APRIL 20, 1932

INTEREST AROUSED IN PHILIPPINE FREEDOM

Action of Senate and President on Recently Adopted Hare Bill Uncertain

PROVISIONS OF BILL CONSIDERED

Agitation of Farmers and Labor Groups Important Factor in Debates

With the recent adoption of the Hare bill by the House of Representatives, the question of Philippine independence has entered a new stage. It is the first time in the many years of controversy over this problem that either branch of Congress has voted in favor of releasing the islands at a definite date. It has caused renewed interest and speculation as to the possible action of the Senate in this matter. At the same time, it has given rise to serious study and consideration of the possible effects of the complete withdrawal of American control from the islands as provided by the recently adopted Hare bill. Before going into the possible consequences of freedom, we shall briefly consider the salient features of the measure which has now received the stamp of approval of the House of Representatives.

THE BILL

Although it contains several pages largely concerned with detail, there are but five provisions of the Hare bill which need occupy our attention at present. First, the Filipino people shall be authorized, as soon as the bill becomes law, to convene in a constitutional convention for the purpose of drawing up a constitution for eight years, or until the United States shall withdraw its control. They shall have complete control of their own affairs during that time except for certain safeguards imposed by the United States government. Among these are such provisions as: All citizens of the Philippine Islands shall owe allegiance to the United States and every officer shall take an oath that he recognizes and upholds the authority of the United States. Certain other limitations on complete autonomy are provided. This eight-year constitution shall then be submitted to the president of the United States for his approval. If he accepts, the people of the islands will have the opportunity to vote for it, deciding for themselves if they wish to be free.

The second important provision affects trade relations during the eight-year period. Instead of enjoying absolute and complete free trade as at present, a limitation is fixed upon the amount of goods which may enter this country. For example, it is stated that all refined sugar in excess of 50,000 tons a year, shall be dutiable at the same rate as similar sugar coming from any foreign nation. Similar restrictions are placed upon the amount of coconut oil, yarn, twine, and other products imported from the islands.

Third, future immigration of Filipinos shall be limited to a maximum of fifty a year. Under the present system, the United States places no restrictions upon the number of Filipinos who may take up residence in this country. It is reported that large numbers of laborers from the islands have been coming to this country

(Concluded on page 7, column 1)



© Wide World Photos

DAVID LLOYD GEORGE

David Lloyd George, Former Prime Minister, To Retire From House of Commons

A preoccupied world took little notice last week of a report that David Lloyd George had decided to retire from the British House of Commons. The famous leader of the once-powerful Liberal Party in England had already passed from the world arena. In recent years his political fortunes have waned steadily, coming almost to a complete collapse in the last general election when his party was hopelessly reduced in numbers.

And yet, a brief ten years ago, Lloyd George was perhaps the most powerful figure in world politics. He is so described by present-day commentators. It is probable that he will be so appraised by future generations. Sir Arthur Salter, in his latest book, "Recovery—The Second Effort," which is reviewed in another column, pays this tribute to the greatness of the wartime British prime minister. Speaking of the part he played in international conferences after Versailles, Sir Arthur Salter says:

"It is difficult for a short-memory world, familiar with his diminished public position in recent years, to recall the real stature of Mr. Lloyd George in the first period after the Armistice. The symbol to his country, and to the world, of the slowly gathered might of the British Empire; the latest survivor in public life of the greatest figures of the war; the only representative at later conferences of the

protagonists of Paris and Versailles, he possessed not only the authority of his position but, then at his prime, the qualities which had given him that position. Magnetic, eloquent, dominating, persuasive; with gaps in his knowledge but understanding so much more than he knew; gathering his impressions from those around him as if by unseen invisible antennae; indirect and unexpected in method, but courageous, skillful, and inflexible in the pursuit of his main objective; intolerably irritating to the precise, the exact, the official,—at every meeting of the powers of this period . . . he was visibly the greatest personality of all those present."

It is perhaps as a dominating personality that Lloyd George will live in the pages of history. His actions and policies both during and after the war are criticized by many; the once-great Liberal Party has declined to nothingness under his leadership; he is today a lonely figure in a world which has left him behind it. It is not yet possible to make a full appraisal of David Lloyd George. Many chapters in the history of the era of the World War are still unread. Not until the whole story is unfolded can a fair estimate of his career be made. But even now we may be certain of his greatness. We may be certain that history will remember him. He was a dominant force, a powerful influence, in the world politics of his time.

SENATE INVESTIGATES RADIO BROADCASTING

Complaints Lead to Inquiry into Long "Sales Talks" and Low Quality of Commercial Programs

BRITISH SYSTEM IS COMPARED

Suggestions Made for Government Monopoly. Opinions in Conflict

The United States government, acting through the Radio Division of the Department of Commerce, is conducting an investigation of a problem which touches the citizens of the nation more closely than do many of the political issues which receive far more attention. The investigation is being carried on as a result of a resolution recently adopted by the United States Senate. The subject under inquiry is the system of radio broadcasting which prevails in the United States. Does this marvelous device, the radio, serve the interests of the people as well as it might? Are the programs as interesting, as educative, as helpful, as a different kind of management might make them? Should the voices of the advertisers be stilled, or does the American plan of depending upon advertising for the programs insure a wealth and variety of material which would not otherwise be available? These are some of the questions which have claimed the attention of thoughtful persons. They are questions which the Senate has asked representatives of the Department of Commerce to answer.

A TYPICALLY AMERICAN SYSTEM

Broadcasting as we know it in this country is a product of the traditional faith in the "hands off" principle of social and economic development. It is not the result of conscious planning. It has just grown up. When, a few years ago, science presented to the world the radio, with all its vast possibilities for the dissemination of thought or culture or propaganda or entertainment or ideas, good, bad, or indifferent, the manner in which the gift was to be used remained for a while undetermined. Who should decide what messages should be flashed through the ether to audiences of millions? Who was to decide what kind of music, what sort of entertainment, should be brought to the millions of Americans? The government did not say. The people, acting through the representatives at Washington, did not speak. Yet someone had to decide what programs the people should hear and, what was more immediately important, someone had to pay for them.

Of course we know now what happened. The advertiser stepped into the breach. He would use the radio as a means to call the attention of the nation to his wares. He would furnish programs at his own expense so as to render more palatable the doses of advertising he would measure out. He would pay for the entertainment, the amusement, the instruction, the people of the nation received on the waves of the ether just as he paid for the entertainment, the amusement, the information they received in the magazines and newspapers.

And so it came about that the American people found themselves after a while listening to programs furnished to them by the great business companies which advertised on a national scale. This procedure,

indeed, did not apply to all the programs. Certain hours were reserved by the National Broadcasting Company and the Columbia Broadcasting Company, the two great corporations which, with their networks, serve the stations of the country. The programs for these hours are supplied by the companies themselves, but at most any time of the day, whichever way one may turn the dial, he hears a program selected for him and presented to him by some purveyor of tooth paste or cigarettes or breakfast foods or motor cars.

ADVANTAGES AND DISADVANTAGES

This system undeniably has its advantages. There are a great many of these national advertisers. They pay tremendous sums for the privilege of being on the air and for the talent which they employ to regale the public. They are very anxious, indeed, to get results. It is essential to them that people listen to their programs. They are in competition for the ears of the public. Hence, they try very hard to find out what the people want and they give them just that. The result is that we do have a variety of content in our programs. We have the benefit of the best efforts of clever men and women who are sitting up nights to devise means by which our various appetites may be satisfied. Unquestionably we would lack this variety were broadcasting a government monopoly.

But a statement of the advantages derived from an advertiser-controlled system of broadcasting points also toward the weakness of such a plan. The advertiser who pays for the program is concerned with what the greatest number of potential listeners may demand. He has no interest in educating the public taste and he is not likely to meet the demands of those with educated tastes when the greater number of listeners prefer a brand of entertainment which is less highly refined.

Another weakness, and this is one which large numbers of people find exceedingly irritating, is the interjecting of dissertations upon the products of the advertisers along with the programs. There are many people who do not like to settle down in their chairs to enjoy a symphony concert only to find the concert frequently interrupted by explanations of the superior quality of some brand of soap or coffee.

Perhaps the average radio listener does not stop to inquire whether the system of radio broadcasting which prevails is the best of all possible systems. It is likely that he takes it for granted as he does the air he breathes, as something which is inevitable and could not be otherwise. But those who have looked about them and have examined the customs of other countries know that there are conceivable alternatives. They know that England, for example, has quite a different method of radio control and they know that most of the other nations are closer to the English than to the American practice.

HOW ENGLAND DOES IT

The English are not quite so closely wedded as the Americans are to the scheme of things which is described by the term "laissez-faire"—the notion of allowing institutions of all kinds to develop without regulation in the hope that they will serve the common good. They take more kindly to the principle of social control. So when they found themselves in possession of the radio and saw the possibilities of broadcasting they made it a government monopoly. They organized the British Broadcasting Corporation, and gave it authority to supply the nation with programs.

In England the advertiser is not allowed on the air and he neither selects nor pays for the speeches or the music which the people hear. The people themselves, or the owners of radios, pay for the programs. Each radio owner is taxed 33 cents a month. The revenue derived from this tax furnishes the fund which pays for the programs which the British Broadcasting Corporation selects and broadcasts. This Corporation, the B. B. C. as it is commonly called, does not feel constantly under the necessity of drawing great crowds of listeners away from rival programs. The English broadcasters have three ideas in mind. In the first place, they want to entertain

and amuse the whole population; in the second place, they are resolved to give the best class of entertainment, musical and otherwise, to those who are prepared to appreciate it, and incidentally they wish to educate the tastes of people generally; finally, through addresses upon subjects covering many fields, they undertake to furnish information and instruction. They give special attention to the sort of instruction which is needed for intelligent citizenship.

A COMPARISON

The British Broadcasting Corporation has publications which supplement the radio programs and prepare listeners for what they are to hear. *The Radio Times* announces programs a week in advance. *The Listener* contains articles on all sorts

high; we have more international broadcasts, grand opera, big orchestras, star performers.

The great difference, of course, is that what the English hear they hear uninterrupted by lyric outbursts in praise of somebody's coffee. Britain enjoys more adult entertainment and freedom from ballyhoo. But with all our juvenilia, sales talk and business control, we actually have more freedom from censorship.

I doubt whether Americans would prefer the British system and whether our wider and less homogeneous audience would like the higher but less exciting level of the overseas broadcast. There is plenty of evidence, however, that the American audience is dissatisfied with what it gets. If the American broadcasters wish to avoid a change in their present independent status, perhaps a modification of the system leading to more government regulation, even to government operation, they must recognize that the level of the average program is below the average intelligence, however immature we are supposed

this country and in other nations. Upon the basis of the report presented by the commission, programs of radio regulation will receive congressional consideration.

HINDENBURG WINS

Final elections for the presidency of Germany were held on April 10. President Paul von Hindenburg succeeded in defeating his principal opponent, Adolf Hitler, by almost six million votes and was thus returned to office for another seven years. The other candidate, Ernst Thaelmann, the Communist leader, was not a serious contestant. The final vote gave Hindenburg 19,359,642 votes, Hitler, 13,417,460 and Thaelmann, 3,706,388. This second, or "run-off" election had to be held because on March 13, when the first presidential elections were held, von Hindenburg failed to receive an absolute majority or more votes than all his opponents.

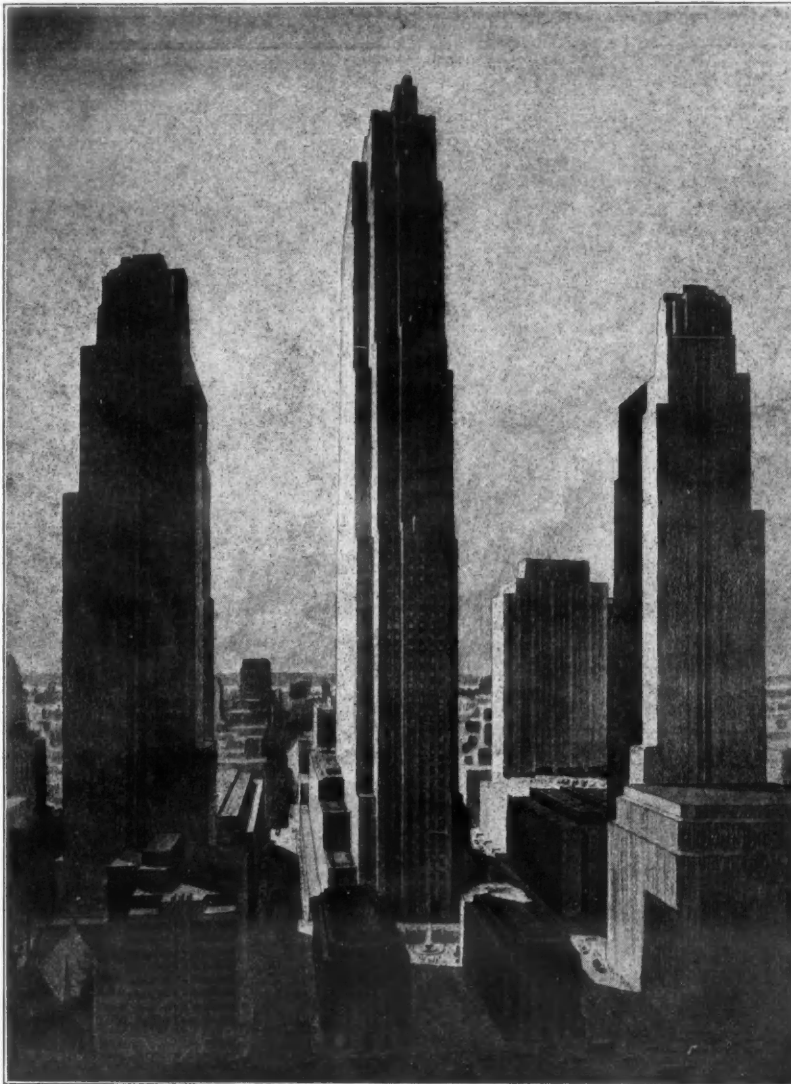
While President von Hindenburg received about 700,000 more votes in last week's election than on March 13, the increase of Hitler's vote was in excess of 2,000,000. The outcome of the election has, however, removed a great deal of uncertainty from the political situation in Germany. The victory of von Hindenburg has strengthened the position of Chancellor Brüning, at least for the time being. The chancellor will thus have the support of a majority of the people in conducting Germany's relations with foreign nations. It is expected that he will adhere to his previous policies on two of the principal problems confronting the nation—reparations and disarmament. At Geneva, he is likely to insist upon his former position that all nations should have equal rights and privileges in the matter of armaments. At the coming Lausanne Conference, he will support Germany's views on the question of reparations which, unless the chancellor changes his position, will be that further reparations cannot be paid.

But despite the outcome of the presidential elections, Germany is by no means through with political campaigns. Scarcely had the ballots been counted last week, when the major parties turned their attention to the elections in Prussia and other provinces which are to be held later this month. "Now for Prussia," is the battle cry of the Hitlerites and other political parties. Followers of Adolf Hitler will exert every possible energy to win seats in the Prussian Diet on April 24 because, if they are successful, it will give them more power in the German national parliament.

FASCISTS PROPOSE

Five steps deemed essential to world recovery and international good will were set forth on April 9 by the Grand Council of Fascism of Italy, composed of the most influential members of the Fascist Party and presided over by Premier Mussolini. The Council, after holding an important meeting in Rome, made these recommendations many of which are decidedly drastic in nature. The first demand enunciated is that war debts and reparations must end. It is the belief of these Italian leaders that the heavy burden of debts is proving disastrous to the entire world, not only to the nations which are held to owe the money but to the recipients as well. The second step necessary for the return of prosperity is the abolition of the heavy barriers to trade among nations which have resulted in a virtual strangulation of international trade.

The last three demands of the Fascist group refer more specifically to Europe and its problems. It recommends, for instance, that immediate steps be taken to relieve the economic and financial stress of the so-called Danubian and Balkan nations of central and southeastern Europe. Next, the peace treaties should be revised if Europe is to enjoy permanent peace and good will. It is charged that these treaties, which changed many of the national boundaries of Europe, are a source of constant unrest and may even provoke war. Finally, the Fascist group calls for fewer international conferences.



© Ewing Galloway

ROCKEFELLER CENTER IN NEW YORK

When completed this "radio city" will cover three city blocks and will be dedicated to entertainment and education.

of subjects and problems—the ones which are being discussed over the air. Pamphlets are published dealing with the subject to be covered by lectures. In short, the B. B. C. undertakes to act as a great educational influence. It does not, of course, furnish the radio public of England the variety of alternative programs which the American dial twister has at his finger tips.

Anne O'Hare McCormick, writing in the *New York Times Magazine*, makes this comparison of the English and American broadcasting systems:

The contention is that the quality of the British entertainment is superior to ours. Of the average quality that is undoubtedly true. I have before me a copy of *The Radio Times*, organ of the corporation, containing a week's programs for the various regions into which the country is divided. Comparing these programs with the American schedule for the current week, it becomes evident that in England there is more chamber music, more serious drama, including Shakespeare and the classics, more literature as such, fewer "educational features," either health talks or courses in musical appreciation such as those given by Dr. Damrosch. The island air is less crowded and the programs have better balance. But also they have less variety, and if the level is higher the high spots are not so

to be, and that there is a rising revolt against the constant increase of sales talk and selling contests on the air channels.

LEGISLATIVE PLANS

A number of plans for regulation of broadcasting in this country have been brought forward in Congress. Senator Fess, of Ohio, thinks that 15 per cent of time on the air should be reserved for educational institutions. Senator Shipstead, of Minnesota, believes that the states should share with the national government in control of wave lengths. Senator Dill, of Washington, favors some measure by which the control of the local stations by the great broadcasting chains may be diminished. Representative Davis, of Tennessee, thinks that the time allotted to advertising on the radio should be limited.

None of these measures of control is being actively pushed in Congress at this time. Senator Dill, who with Senator Couzens, is the author of the resolution calling for the inquiry by the Radio Division of the Department of Commerce, has made the statement to *THE AMERICAN OBSERVER* that the purpose of the investigation is not to further any specific legislative proposals but rather to bring to light facts pertaining to radio broadcasting in

People in Central Europe Look to U. S. in Hour of Serious Crisis

"The restoration of normal economic conditions in Central Europe is really as urgent a question as any in the world today," says the *London Times*. "The danger point is between Vienna and Budapest. Phrases about a threatened catastrophe in Europe have come to be lightly used in these days; but it is as certain as anything can be that if matters are simply allowed to drift in Hungary and Austria, there will sooner or later—and some competent observers think sooner rather than later—be governmental defaults, bankruptcies, public and private, on an unprecedented scale, and inflated currencies to be followed almost certainly by social and political upheavals. The international credit system might receive such a shock that it would be shattered in a whole series of countries one after another. These are not dangers conceived by disordered imaginations, but foreseen as possible by the most sober and experienced of statesmen and financiers."

Last week we discussed the efforts which have been under way looking toward the breaking down of tariff barriers which separate the central European states, but little appears to have been accomplished by the effort. There is so much bad feeling, so much fear and hatred in this region where nationalities and religions are so mixed together, that coöperation among the governments is next to impossible. The Austro-Hungarian Monarchy was broken up as a result of the war. In the old days this empire had a territory of 240,000 square miles and a population of 51,000,000. Today Austria has an area of 32,000 square miles and a population of 6,500,000; and Hungary has an area of 35,000 square miles and a population of 8,000,000. A new nation, Czechoslovakia has been formed to the north of the old Austro-Hungarian lands. Rumania, to the south-east, has been given a large slice of old Hungary, and Yugoslavia, to the southwest, has been given a considerable amount of land which was formerly a part of the vanished monarchy.

This breaking of national lines and the establishment of new states has, of course, given rise to many problems. Millions of people find themselves switched to a different nation from that in which they had lived. The claim comes from Hungary that Hungarians, who because of the changed boundaries now find themselves under the rule of Rumania, are in many cases deprived of schools where their own language is taught; that they have lost the official use of the Hungarian language; that their church properties have been confiscated; that estates owned by Hungarians have been taken over by the Rumanian government and that their owners have been given only a fraction of the real value; that Hungarians are taxed more heavily than are the Rumanians. It is charged that Rumania has adopted a harsh policy with the intention of forcing the Hungarians to emigrate. Similar charges

are made against Czechoslovakia and Yugoslavia, within whose borders also large numbers of Hungarians now find themselves. As a result of these conditions many Hungarians are in a state of bitterness and despair. A professor living at Budapest writes to us of some of his country's problems:

Life, and consequently thought, is far more complicated here than in America or even England. Take frontiers, arbitrarily fixed after the war, often inflicting gross injustices on the inhabitants—the consequent minorities, unrest caused by people living in the power of an alien race and being often forced to send their children to a foreign school and attend another church—the variety of languages, religions and folk-lore and habits—these are all adding an almost unendurable and burning weight to the universal burden of depressed currency and unemployment. These are conditions unknown, and I venture to believe, impossible of comprehension in the United States.

A letter from an attorney in Budapest tells quite feelingly of the wrongs imposed upon Hungary, as the writer sees them:

We have to endure the great economic depression, the currency crisis of the whole world, and in addition to this also the troubles coming from the capturing of all our raw material sources. This country is in a desperate and hopeless situation, which will only cease with the alteration of the Peace Treaties and the raising of prices of agricultural products—also with the possibility of selling the surplus of our products. Hungary is a country of agricultural features, and wheat prices, which are very low all over the world, decide the national income.

An agreement with our neighbors, the profiteers of the war, is not very likely, as they are not disposed to enter willingly into a discussion of an alteration of the Peace Treaties. They—Czechoslovakia, Yugoslavia, Rumania—have powerful support both politically and financially in France. We never can hope for friendly help from France, which has piled, in her greediness, quite a third of the gold of the world. She is too much engaged with her old allies. Our only hope is the U. S. A., England, and in some respects, Italy.

It appears, however, that the people of Hungary are not completely absorbed with their own troubles. One of our correspondents in Budapest, a civil engineer, shows evidence of having acquired quite a little information about our own country. He has gained an impression which is very common in Europe that America is a land of gangsters. We are, of course, obliged to concede much truth in this impression, but it is clear that many exaggerated stories have gained currency abroad. Our Budapest correspondent says:

How was it possible to develop a highly organized production without security of life and property? As much as I know about the U. S. A.—upon my information drawn from the *Manchester Guardian* and other Continental papers—I would say that that is anything but a reality in America. I would not have a feeling of security in a country where you have to pay, besides taxes, a tribute to gangsters, where you get shot like a rabbit if



BUDAPEST, ON THE BLUE DANUBE, AT NIGHT

one of your foes but settles this bargain with a professional murderer; where the police and town officials are interested in the gangsters' business and are partners of them to a certain extent . . . where kidnapping is a remunerative undertaking. We had something like that for a few years after the Bolshevik dictatorship was crushed. It was more than unpleasant. It was oppressive.

Such remarks about America are not dictated by a spirit of unfriendliness, but rather by a spirit of mingled curiosity and concern. Whatever attitude the peoples of the larger nations of Europe may have toward us, it is a fact that millions in Central Europe look hopefully to the United States with the thought that our country may take the lead in the establishment of saner political and economic relations among nations.

SOUTH AMERICA

Political and geographical upheavals have swept over a number of South American countries during the past two weeks. The governments of Chile and Ecuador have had to take drastic measures to put down threatening revolutions. In Chile, the cabinet was overthrown because of strong opposition and a new one was sworn in. Ecuadorian rebels succeeded in capturing and blockading the principal port while government planes made efforts to remove them from their stronghold. The inhabitants of Argentina and Chile were threatened with disaster as volcanoes in the Andes mountains poured out huge streams of lava over the countryside.

At the root of the political disturbances in the South American republics are the many unfavorable economic conditions. That continent has been undergoing a severe financial crisis for many months. The currencies of a number of countries has depreciated rapidly in value because of these unfavorable conditions. In Chile, for example, the peso is ordinarily worth twelve cents. It has now declined to five cents. The recent political disturbances in Chile may be directly attributed to these causes. Bank runs, together with general unrest already prevailing, caused such disturbances that the cabinet was forced to resign and a state of siege was declared for sixty days.

Senator Capper of Kansas recently introduced a resolution in the Senate designed to give greater force to the Kellogg-Briand Peace Pact. He reiterated the doctrine that all treaties signed in violation of the pact shall not be recognized. To make this really effective, he included provisions making it unlawful to ship arms to nations which violate the pact; calling for the suspension of trade and financial intercourse with such nations; and requesting our president to call a conference of signatory nations in case of a violation.

THOUGHTS AND SMILES

Latest reports were that the salesman in a haberdashery wasn't making much progress in putting over the idea of a "buttonless shirt" to a customer who had a "whole drawer full of them at home."

—Philadelphia INQUIRER

Never boast of your sense of justice until you roar about an unfair tax that doesn't affect you.

—Schenectady GAZETTE

Some people are calling it the Ways to be Mean Committee.

—New York SUN

Too many geese that were supposed to lay golden eggs turned out to be geese that laid goose eggs.

—Arkansas GAZETTE

"The world has improved in one respect," said Uncle Eben. "The streets are so crowded there ain't no more room for corner loafers."

—Washington STAR

Vanity is the foundation of the most ridiculous and contemptible vices.

—Adam Smith

Any man who makes \$100,000 a year will have to fork over \$20,000 and then pay 40 per cent on any excess. But he can get even, suggests Ima Dodo, by not using matches and boycotting chewing gum and candy.

—New York SUN

Blessed are the poor. They can go down town without buying another little doodad to clutter up the living room.

—Los Angeles TIMES

We all realize what the youngster meant when he was asked what Australia was bounded by and answered "Kangaroos."

—Boston Transcript

A little knowledge is a dangerous thing.

—Pope

A newly invented anaesthetic kills pain long after the operation. If it lasts until after the doctor's bill comes in it should be a great protection against unnecessary suffering.

—New York SUN

The Prince of Wales urges "Buy British," and Mr. de Valera, "By, by British."

—Dallas NEWS

Up to date those diplomats do not seem to have been able to disarm even suspicion.

Boston HERALD

Which reminds us that local impresarios were unsuccessful a few nights ago in their attempt to kidnap a woman of 180 pounds, but you'll have to give them credit for trying.

—Philadelphia INQUIRER

"Time," remarks a scientist, "flows both ways." Just like toothpaste, after a woman has used the tube once.

—London HUMORIST

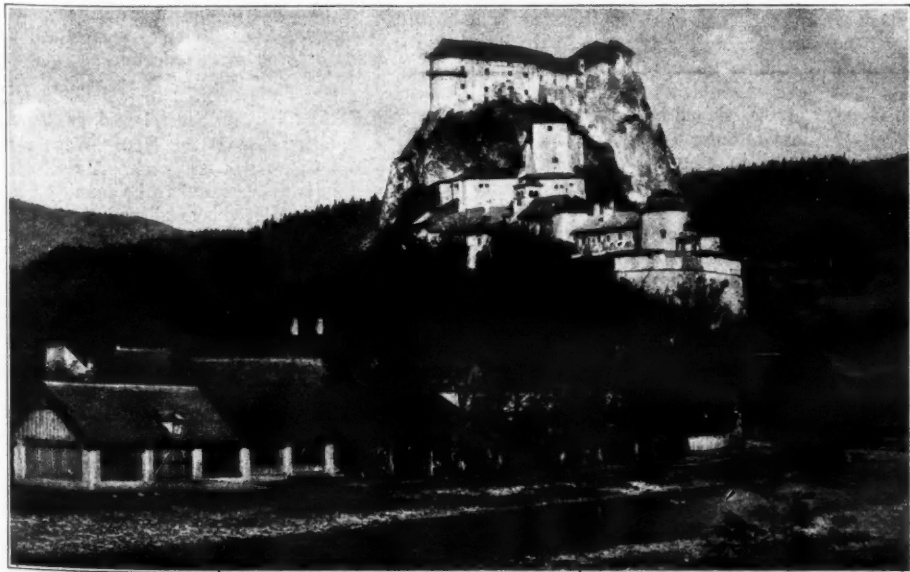
The Farm Board tells farmers to dispose of every tenth cow. Nothing is said of the feasibility of turning them over to the board, to eat up its grain holdings.

—Detroit NEWS

"What is the greatest need of the Democratic party?" asks a politician. Offhand, we'd say more Democrats.

—Atlanta CONSTITUTION

PRONUNCIATIONS: Budapest (boo'da-pest), Yugoslavia (yoo-go-slah've-a), Diet (di'et—i as in time).



AN ANCIENT CASTLE, FORMERLY IN HUNGARY, NOW A PART OF CZECHOSLOVAKIA

THE AMERICAN OBSERVER

Copyright, 1932
by the CIVIC EDUCATION SERVICE

Interpreting national and international events and analyzing currents of opinion. Published weekly throughout the year (except two issues in December) by THE CIVIC EDUCATION SERVICE, 744 Jackson Place, N. W., Washington, D. C.

Subscription price, single copy, \$2.00 a calendar year. In clubs for class use, \$1.00 per school year or 50 cents per semester.

Entered as second-class matter September 15, 1931, at the Post Office at Washington, D. C., under the Act of March 3, 1879.

EDITORIAL BOARD

CHARLES A. BEARD DAVID S. MUZZEY
HAROLD G. MOULTON E. A. ROSS
WALTER E. MYER, Editor

WEDNESDAY, APRIL 20, 1932

REVIEW OF THE WEEK

THE stock market, which has been moving irregularly downward since the crash of October, 1929, has taken a smashing nose dive toward the bottom during the last month. A few weeks ago, when our article on short selling appeared in THE AMERICAN OBSERVER, shares of the General Motors Corporation were selling at about twenty-two dollars each. During the second week of April they were down to half that figure. The stock of many other great corporations experienced a similar decline. People who have their investments in the form of securities have in many cases seen their property shrink to a fraction of its recent value.

When this fall in security values threatened to become catastrophic, United States senators got busy and called a special meeting of the Committee on Banking and Currency to investigate the activities of the New York stock exchange. The charge was made that short sellers, or professional "bears," were throwing stock upon the market in order to depress prices. Mr. Richard Whitney, president of the New York Stock Exchange, presented evidence, however, tending to show that there has not been an unusual amount of short selling during the last month. He argued that the market has been depressed because a great number of investors, finding themselves in financial difficulties, have been obliged to sell their securities at whatever prices they could get.

Attention should be called to the fact that the stock market is not always an accurate barometer of business conditions. Sometimes security prices advance sharply when business conditions have not improved and when there is no good prospect of improvement. At other times the stock market collapses when business conditions have shown no downward tendency. The situation in the business world has not changed materially during the last month. The seasonal rise in activity which many people expected to see this spring has not put in an appearance. It cannot be said that there are indications of an immediate

return to prosperity. Neither can it be said that prospects of business have grown so much darker as to justify the demoralization which the stock market has experienced since the middle of March.

IN an effort to reach an agreement on federal economy measures, President Hoover held a conference with members of the Economy Committee of the House of Representatives at the White House on April 9. After an all-day session, agreement was reached on many items of expenditure which might be reduced, making an estimated saving to the national government of between \$160,000,000 and \$210,000,000 if enacted into law. Two definite plans were presented at the White House Conference, one by the House Committee and one by the president, and although all the suggestions were not accepted, there was virtual agreement on the major proposals.

Covering a long list of items on which money might be saved, including everything from the retirement of all government employees who have arrived at the pension age to a transfer of government fish hatcheries from federal to state control, immediate steps were taken to secure action on the joint economy program. The first major item to be considered in the House was a general salary reduction of all government workers who receive more than \$1,000 a year. An eleven per cent cut was proposed. The president, however, offered another suggestion to save money instead of an out-and-out cut in salaries. He proposed that some government employees be put on a five-day week and that others be given "vacations without pay." The House Committee preferred to make an effort to give effect to its own wage-cut plan which, it is estimated, would save about \$67,000,000.

While these negotiations between the president and leaders of the House were going on, the Senate was not unmindful of the need for economy in government expenses. The Appropriations Committee of the upper house was busy trimming various bills of sums which it thought not absolutely necessary. The Departments of State, Justice, Labor and Commerce were "cut" several million dollars by the committee. At the same time, the fund set aside for enforcement of the prohibition amendment was reduced by more than a million dollars. These slashes, together with those proposed in the House, will have to receive the approval of both branches of Congress before they can be put into effect. Such measures will likely consume a large part of Congress' attention during the remainder of the session.

AFTER three days of futile discussions, the four-power conference which met in London on April 6 to consider the proposed Danubian Economic Union adjourned. Representatives of France, Italy, Great Britain and Germany were unable to reach an agreement, leaving this acute European problem no nearer a solution than when they met. The principal cause of the breakdown of the London conference was the failure of the Italian and the German delegates to agree with the Tardieu plan which received the support of France and Great Britain. On the other hand, Italy and Germany presented plans of their own which, they thought, would solve a number of Danubian problems, but they failed to receive the approval of the other two powers.

Germany and Italy opposed the Tardieu plan on the grounds that it would not offer an adequate solution to the problems of the five Danubian states—Austria, Hungary, Yugoslavia, Czechoslovakia and Rumania. They pointed out that such a union would have to include other industrial countries, principally Germany and Italy, if it were to be successful. An arrangement of this nature would provide mar-

kets sufficiently large to absorb the large surpluses of agricultural products now burdening many of the Danubian states. Efforts to relieve conditions of these countries—which are admittedly serious—were the principal task of the Council of the League of Nations as it convened in special session in Geneva last week.

A DEVELOPMENT far more important than the space it has received in the newspapers would indicate may be seen in the rising demand of college men and women for arms limitation and for steps toward permanent peace. Readers of this paper will remember that last January the Intercollegiate Disarmament Council, representing thousands of students, sent as a representative to Geneva Mr. James Frederick Green, a senior at Yale. Mr. Green was given the privilege of addressing the disarmament conference and he made a striking appeal for action, asking that students, who would be called upon to give their lives in case of war, should be heard in their demands for disarmament and for a spirit of international conciliation. Since then the movement has spread. Meetings have been held in many places. The work of the Council has been endorsed by Secretary of State Stimson and by many prominent educators.

It is not at all certain that the voice of these students will be heeded by the diplomats at Geneva, but the movement, nevertheless, has great significance. It indicates that American students, who have always lagged behind the students of European universities in political interest, are now awakening to the fact that they have responsibilities in the shaping of public policy and that they need not wait until their hair is gray before they bring their influence to bear in the shaping of political programs.



JAMES FREDERICK GREEN

LAST week, the Senate Finance Committee was bending all its energy on the billion-dollar tax bill, trying to complete its hearings as soon as possible in order to send the measure to the floor of the Senate for open debate. The committee was faced, on the one hand, with requests from leading business interests to remove the provision of the bill which would tax the sale of securities on the nation's stock markets, and on the other, with demands from farm organizations that no taxes likely to prove a burden upon the agricultural sections of the country be imposed.

Strong pressure has been brought to bear upon members of the committee to strike out the security sales tax. Secretary of the Treasury Mills, the first witness to appear, urged this action in the interest of business recovery. He stated that this, and other high taxes upon business corporations, should be removed, otherwise general business conditions would suffer. In place of these taxes, Mr. Mills recommended several substitute taxes to raise the \$170,000,000 which would be lost by abandonment of these sources of revenue. An increase in the federal tobacco tax, a higher tax on automobiles and trucks, amusements, and a gasoline tax of one cent a gallon were some of the measures suggested by the secretary.

There has also been agitation on the part of many senators to include a number of tariff levies in the tax bill. The House bill, which imposes a customs duty on imported coal and oil, would be supplemented by import duties on a number of other products such as copper and lumber. Leading Democratic senators, however, were exerting all possible efforts to exclude such tariff provisions from the tax bill.



THE BILLION DOLLAR BABY
—KIRBY in N. Y. WORLD-TELEGRAM

WHILE Secretary of State Stimson was on the high seas last week, headed for Geneva, the acting head of the American delegation to the World Disarmament Conference, Hugh L. Gibson, was telling the conference what he thought should be done to insure peace to the world. The delegates from the fifty odd nations had just reassembled from the Easter vacation. Mr. Gibson was anxious to pave the way to definite agreements on the limitation of armaments which up to the present time have not been made. Accordingly, he proposed that all weapons regarded as particularly capable of waging aggressive warfare be abolished. In this category, he included such instruments as tanks, heavy mobile guns and gases.

The object of the Gibson proposal, which is of course a proposal made by the United States government, was to have the nations accept in fact a principle which they have supported in theory since the opening of the conference. Every nation has, as a matter of fact, urged action of this nature since the first of February although no formal declaration or agreement has been drawn up. It was the desire of the American delegation to present a concrete proposal which would receive the support of other nations. The proposal did not, however, receive the immediate endorsement of the conference.

While a number of the major powers supported the American proposal, it was criticized by André Tardieu, head of the French delegation. He stated that the plan did not go far enough. "The plan is insufficient in scope," said the French premier. The proposal urged by his government, he said, included these limitations, as well as many others such as submarines, large cruisers and bombing planes. Moreover M. Tardieu wants to be sure that the nations will be forced to adhere to all obligations by inserting in whatever agreements may be drawn up provisions calling for penalties for failure to observe the pledges. In other words, he believed the American proposal to be insufficient to produce the desired results. It is expected that Secretary Stimson will unite with other members of the American delegation in doubling their efforts to secure definite agreements on arms reduction.

HEARINGS on several soldiers' bonus bills began in the House Ways and Means Committee last week. A real fight on this issue appeared to be imminent as congressional members aligned themselves with the two opposing factions. Representative Patman of Texas, who is leading the fight of the bonus advocates, is urging that a bill be passed by Congress which will authorize the immediate cash payment of \$2,400,000,000 to the veterans of the World War. Democratic leaders of the Senate and the House have supported the stand recently taken by President Hoover that such a payment would be unsound at this time. Senator Joseph T. Robinson of Arkansas, Democratic floor leader of the Senate, and Representative Henry T. Rainey of Illinois, Democratic floor leader of the House, attacked the measures in vigorous terms.



LOADED FOR BEAR
—Talbot in Washington News

THE LIBRARY TABLE

STUDIES OF OPINION

VII

The New York Times is a conservative newspaper whose editorial opinions are representative of those of the larger business interests. But these larger business interests do not, of course, always think and work in harmony. There are, for example, those who are interested primarily in the manufacture of goods for the home market. In this class are a large proportion of American manufacturers. They have always stood for a high protective tariff. There is another very powerful business group which is more interested in international banking and international commerce. This group opposes the protective tariff and other barriers which act as impediments to trade and to international financial operations.

The New York Times stands with this second group and, so far as the tariff issue is concerned, works in coöperation with many of the liberals whom it opposes on other matters. A few days ago the Times pointed out that in the course of a single week tariffs or other trade restrictions had been increased by the Union of South Africa, Belgium, Holland, Cuba, France, Sweden, Poland, Estonia and Samoa. Alarmed at this rapid raising of tariff walls, the Times says:

If a truce is to be called in the present tariff war, it must be on the initiative of the world's creditors. The debtor nations have no alternative, at this stage in a prolonged depression, except to curtail their imports of foreign goods in order to balance their international payments. But the creditors are in a position to lower their tariffs and to accept part payment of their loans in terms of goods. Specifically, this means action on the part of the United States, France, England and a small number of other nations which appear as creditors on the world's ledger of international accounts. They have little to lose, and much to gain, by coöperative action to reopen the channels of trade.

The St. Louis Post-Dispatch, liberal, Democratic organ of the Middle West, favors the imposition of higher taxes upon the wealthy, who, as the liberals see it, are best able to meet the obligation in such a way as to give business the least possible shock:

High estate taxes are justified, if for no other reason, by their effect in reducing the gross inequalities in the distribution of wealth in our society.

It is also true that income and estate taxes will have less of a tendency to delay business recovery and the revival of employment than any other levy which the Treasury has proposed or can devise.

The Nation, independent, advanced liberal, speaking through its editor, Oswald Garrison Villard, launches in the April 13 issue an attack upon the candidacy of Newton D. Baker for the Democratic presidential nomination. "Just another politician and orator without fixed principles, veering to the winds if the necessity arises or there is an opportunity to take office or make money—this," says Mr. Villard, "is Newton D. Baker."

OUR PRESENT DILEMMA

Perhaps few phenomena—economic, political, or philosophical—have been so much discussed during recent months and so little understood as the world wide business depression. Granaries bursting with grain which cannot be sold, factories glutted with goods for which there is no market, productive enterprises closed down or running on part time, while millions suffer for need of the necessities of life—this is something which not only baffles the ordinary man, but which appears to be beyond the comprehension of economists and statesmen. Some people think that we are experiencing merely one of those recurrent crises which have become so familiar during our history. Others fear that this depression is unlike the others. They think that it may mark the turning point in civilization itself. But if it is different, how does it differ from the rest? What is the matter, anyway? What is happening to our economic machinery?

These are the questions which Sir Arthur Salter undertakes to answer in "Recovery—the Second Effort" (New York: The Century Company. \$3.00). The author of this book is an eminent English economist. For a number of years he was director of the Economic Section of the League of Nations and few men living today have had so good an opportunity as he to secure a general and detached view of economic operations throughout the world. He has made good use of this opportunity and has come to rather definite conclusions as to what is wrong with the world and as to steps which must be taken to turn it toward recovery. These conclusions are given to the public through the medium of his new book.

It is naturally impossible in a brief space to do more than indicate the general direction of his thought. Here are a few of the conclusions: The physical destruction wrought by the war was soon repaired and the world appeared to be well on the road to recovery by 1925. But after a while it became apparent that there were inherent weaknesses in the new system that was built up. There was an economic crash. We are now in the midst of it and we are obliged to find our way to recovery through "the second effort."

The chief damage done by the war did not consist then in material destruction but in industrial and financial dislocations. It was a highly organized international economic system that was in operation before the war. The intricate organization of production, distribu-

tion and consumption worked fairly well so long as there was freedom of movement, of credit, from one place to another and free movement of goods and free movement of populations. It is this free movement, upon which the old economic order was based, which the war has broken down.

As a result of the war there was a shift of debtor and creditor nations. The peoples called upon to do the lending recently have not understood how to make loans wisely. They have made loans which are unproductive in some cases. Then, too, the reparations and war debts call for a transfer of wealth. Money was borrowed and was not put to productive uses in the lands where it was borrowed, but was used to pay debts. The debtor countries—debtors who are not creating with the borrowed money the means for its repayment—were obliged to make transfers of money. They could do this only by curtailing imports and expanding exports so as to get a favorable balance of trade.

In order to accomplish this result they established tariff walls to discourage imports and dumped goods abroad to encourage exports. Their neighbors retaliated by raising tariff walls of their own. The free exchange of goods was thus checked. At the same time the free movement of populations was being checked by restrictive immigration laws, and doubt and suspicion and fear stopped the granting of loans from creditor to debtor peoples, so that the free movement of credit was checked; and the economic machinery simply doesn't work under those circumstances. There are so many restrictions that machines of production designed to sell goods under the old scheme of things, produce more than can be sold under the present restrictions.

But that is not all. Gold is becoming scarce and it is badly distributed. This has led to a fall of prices and a fall of prices results in added burdens upon private and public debtors.

What is the road to recovery? A resumption of lending by the creditor nations under plans which are elaborated in the course of the explanation; the breaking down of tariff walls; the reduction of debts and reparations; the cutting of armaments; the liberalizing of credit; and an effort to restore prices at least to the 1929 level.

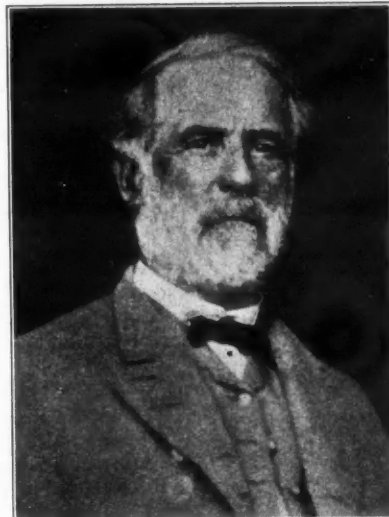
Sir Arthur makes an effort to write in a popular style. He wishes to reach readers not well versed in economic theory and he succeeds quite well. His language is not technical, but of course the subject is. The book is not light reading, but it is not beyond the comprehension of the ordinary reader who is willing to make a serious effort to understand the most vital economic problems of the age.

A GREAT AMERICAN

A northern man, William E. Brooks, has made an outstanding contribution to the year's biography by writing a life of Robert E. Lee, the hero of the South and one of the greatest of Americans—"Lee of Virginia" (Indianapolis: Bobbs-Merrill. \$3.50). The story which he tells of Lee's life is both realistic and appreciative. He announces it as his purpose to recover the great Virginian from the mass of legend which has grown up about him and to reveal the true character. "I have not sought to recreate the legend," he says, "but to make live the man."

This biography takes a form which might be termed old-fashioned. It does not follow the psychological, or fictionized,

style of biography which has become popular lately, but which appears within the last year or so to be giving way to the straightforward, chronological narrative. At any rate, this story is chronological and historical. The author does not make his account of Lee's life the occasion for the exposition of his own philosophy or for the display of his talents as an essayist. He writes simply and clearly, and yet very effectively, about the life and character of a great man.



ROBERT E. LEE

From the frontispiece of "Lee, the Virginian," by William E. Brooks. (Bobbs-Merrill).

Particularly pleasing is the record of Lee's activities after the war was over. He did not sulk when his cause was lost, and he did not plan to win back his glory at whatever cost of human blood, as Napoleon had done. He went to work, modestly and stoutheartedly, as an educator. He accepted the presidency of Washington College, in Lexington, Virginia, at a salary of \$1,500 a year. This position was no sinecure. He entered at once upon his duties, restoring the physical properties of the school, taking an interest in the students and helping in the progressive development of the curriculum. In this work of restoration and of character building, quite as much as by his conduct on the field of battle, he proved himself worthy of the admiration of the whole nation.

LIFE IN HUNGARY

Pal Szabo is a Hungarian peasant, thirty-seven years old, who, it is said, owns an acre of ground which he cultivates with the help of his wife and two children. He acquired the habit of reading when he was a soldier in the war, and after his return from the army he conceived the idea of writing a book which would furnish a picture of life among the people whom he knew, the peasants of Hungary. So he wrote a novel, called "People of the Plains." It has been translated into English by George Halasz, and has been published in America by Little, Brown and Company, Boston (\$2.00).

The central character is Bertalan Barna, a young farmer who is snatched away from the peasant life by the war; who, along with millions of others, suffers through that great conflict, the meaning of which he does not know; who comes back to find many changes, but to settle down into a peasant life which in its essentials had been little changed through generations.

Here is a moving, powerful story which pictures the habits and customs, and thoughts and hopes and fears of the people who live on the plains of Central Europe. The author has vivid powers of description and of characterization, and the translation has been well done. The story is worth while for its own sake. It is doubly valuable to those who turn to the pages of fiction for an understanding portrayal of foreign peoples.

To silence doubt as to whether a relatively untrained peasant can master the art of writing, we quote these descriptive paragraphs from the opening chapter:

Mud, that ancient silencer of Autumn's voice, engulfs all sounds and ruthlessly deadens them. The frosty pasture muffles the tardy cowbells. On a roof at the edge of the village the carpenter's hammer rumbles like a gong. The lumber vibrates under the strokes; the echo torn by the chimneys follows belatedly. The rhythmic blows ringing to an old and endless beat sing the divine song of the eternal life of the village. . . .

On misty Autumn evenings, benumbed fingers stretch before the cheap stoves and shrewdly conceived tales of great fortunes, stories of miracles, wander in the low-ceilinged rooms from house to house. Dreams that have been dreamt, at this time of the year, for centuries.



CAUGHT

—Fitzpatrick in St. Louis POST-DISPATCH

Sir Arthur Salter in his book, "Recovery—The Second Effort," argues that tariff walls have played a large part in aggravating the depression.



THE picture which you see on this page calls to mind the man who, perhaps more than any other, came to symbolize the growing power of the speaker in controlling legislation in the House of Representatives. When the student of history, looking back across the years, thinks of the controversies which have developed over the rules by which the House operates, he is likely to recall the name of Thomas B. Reed, who was the speaker from 1889 to 1891 and again from 1895 to 1899, and who, because of an exercise of power which seemed to his opponents to be autocratic, came to be popularly known as "Czar Reed."

Another speaker whose name is associated with a great contest over the rules of the House and over the powers of the speakership, was Joseph G. Cannon, who was speaker from 1903 to 1911. The last important change in the rules of the House was made at the opening of the present session of Congress, just a few months ago. This last change came, however, not as a result of a spectacular fight, but as an outgrowth of slowly developing conviction. Hence it is not associated with the name of any speaker.

As an historical background against which this continuing problem of House rules and House procedure may be studied, it may be well to trace the development of the House of Representative rules. The Constitution of the United States does not prescribe minutely the procedure which shall be followed by the two houses. They are allowed to establish their own rules governing the introduction of bills, the debates, and the enactment of laws. The rules may be changed by either house at its convenience. As a matter of fact, the House of Representatives adopted in 1789, at its first session, a set of rules modeled largely after the rules of the English House of Commons. And these rules, with an occasional amendment, have been maintained since that time.

In one important respect the House of Representatives deviated from the practice of the House of Commons, and that

Power of the Speaker

exception has had great historical significance. The English speakership is not a political office. The speaker is a presiding officer who is supposed to act with scrupulous impartiality. He does not lose his office when the majority in the Commons changes from one party to the other. In the United States, on the other hand, the speaker is a political figure. He is the leader of the majority party, and while he is supposed to decide points of order impartially, he has always used his office to assist the majority party in whipping its legislative proposals into law.

Until comparatively recently the speaker exercised almost autocratic influence over legislation through the power to appoint the committees of the House of Representatives. The House has about sixty standing committees. Most of them are relatively unimportant, but a dozen or so of them shape legislation of a tremendously important character. The significance of these committees can readily be understood

by an examination of the procedure by which laws are enacted. Each member of Congress has the right to introduce bills, and thousands of bills are introduced at every session. But these bills are not immediately considered on the floor of Congress. Each one goes to a committee. Bills for the raising of revenue go, for example, to the Ways and Means Committee, while bills appropriating money go to the Appropriations Committee, and so on. If the committee is in favor of the bill, it reports it, with or without amendments, back to the House. It is put on the calendar and eventually comes to a vote. The fact that it is recommended by the committee gives it a very good chance of enactment. But if the members of the committee do not favor the bill, they do not report it. It does not have a place on the calendar. It dies in committee, without ever being considered by the House as a whole. This is the fate of 95 per cent of all bills. Until recently it was almost impossible to bring to the attention of the House a bill which the committee did not favorably report.

The speaker could, then, practically control legislation by his choice of committees. William Bennett Munro, in his "Government of the United States," describes this power of the speaker:

Procedure Becomes Autocratic

It became his regular practice to make up the committees in such a way that they would do just what he wanted them to do. If he and his "machine" favored a high tariff, he would give the Ways and Means Committee a safe majority of high tariff congressmen; if he desired that Congress should leave the railroads alone, he would make sure of a standpoint predominance on the Committee on Interstate Commerce. The speaker, in a word, controlled the committees, and the committees controlled the House. One man, in this way, determined both the form and the destiny of the laws. It was he who decided whether a measure should go on its way to the statute book or be relegated to the discard. Congressmen flocked to the speaker's room to learn the fate of their measures—and got their information, even before they had been referred to committees. This was not lawmaking by due process, but lawmaking by decree.

By David S. Muzzey and Walter E. Myer

This procedure—this denial of democracy—continued until 1911, when there came a great revolt against what was known as "Cannonism." The rules of the House were then changed, and the right to appoint committees was taken from the speaker. Since that time, the House has elected its committees. The procedure by which this is done is as follows: Each party at a caucus selects a committee on committees. This committee on committees knows the number of members on each committee to which the party is entitled. The majority, of course, gets a majority of members on each committee. The party committee then selects the members from that party who shall sit on each of the committees. These party "slates" are submitted to a vote of the whole House. If the Democrats are entitled to seven members of a committee, and the Republicans to five, the House elects the seven men who have been chosen by the Democratic committee on committees, and the five men who have been chosen by the Republican committee on committees. As a matter of fact, the work of a committee on committees is largely mapped out for it. Custom decrees that the members who have been longest in the House shall receive chairmanships and preference in appointment to the important committees. This so-called "seniority rule" practically determines in advance who the members of the important committees shall be.

Formerly the speaker exerted great power through his privilege of recognizing, or not recognizing, members who rose on the floor of the House to speak. Speaker Reed and Speaker Cannon and other strong-willed speakers, made a practice of simply not seeing members who asked for the floor if these men were opposing measures which the speaker was for, or if they were trying to bring before the House measures which the speaker opposed.

That particular abuse has been corrected now or at least minimized. As a usual thing, when an important bill is before the House a certain amount of time is allotted

to the majority party and a certain amount to the minority party. The majority leader parcels the time at his command out among the members of his party as he sees fit, and the minority leader does the same. When a bill for raising revenue is before the House, all the time at the disposal of the Democratic Party (it being now the majority party) is given over to the chairman of the Ways and Means Committee. He has the floor throughout the debate, but he surrenders it for limited amounts of time to whatever members of the Democratic party he selects. The ranking Republican member of the Ways and Means Committee parcels the time out among Republicans in the same way.

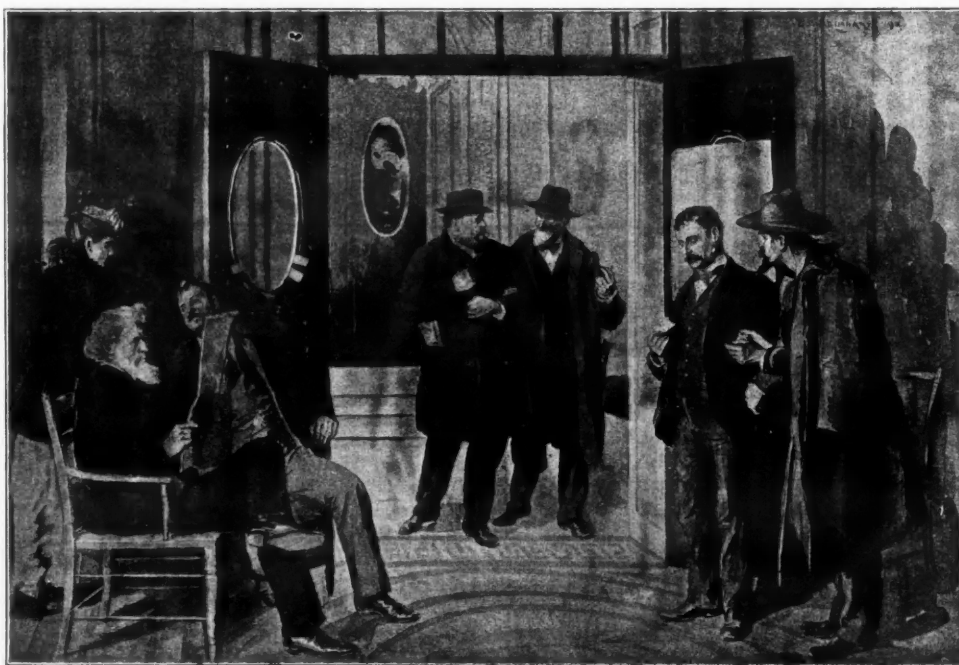
The power of committees to kill bills by refusing to report them to the House has been diminished by the change of rules which was made last winter.

The Most Recent Reform

If a committee fails to report a bill back to the House, it may be brought before the House, without action by the committee, in this way: If as many as one-third of the members of the House of Representatives sign a petition asking that the bill be brought before the House and placed on the calendar, a vote must be taken as to whether the bill shall be taken from the consideration of the committee and brought before the House. If a majority decides in favor of such action, the bill comes up for consideration even though the committee does not favor it.

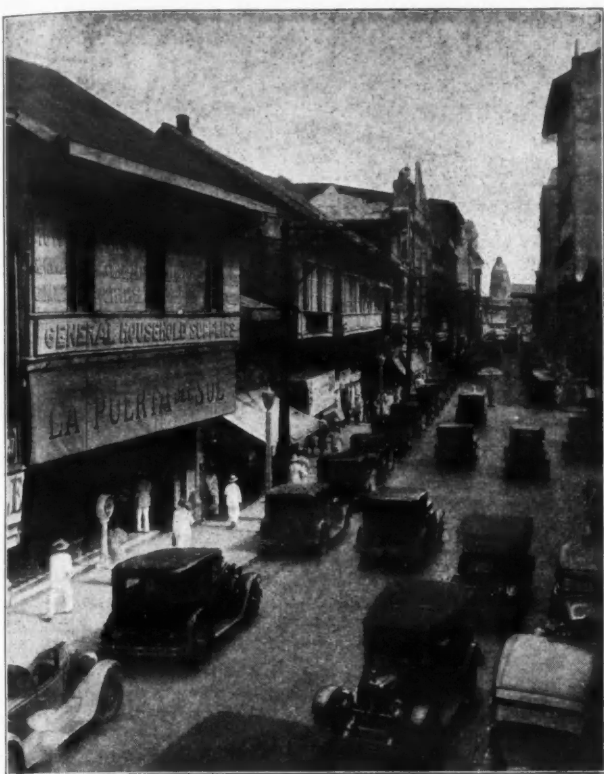
In all the wrangling over the House rules, two principles are seen to be in conflict. On the one hand, there is a recognition of the fact that in a large body like the House of Representatives there must be some control by leaders, if any legislation is to be enacted. If it were not possible to close debate and to select rather rigidly, in some way, the measures which were to come up for consideration, the House would become a great debating society, with each member advocating his own hobbies, and important legislation would not come to a vote. If, on the other hand, a small clique in the majority party is enabled to determine absolutely the bills which shall be debated and voted upon, the important measures in which the people and their representatives may have a great interest may fail of consideration. How to provide for fairly free debate upon important issues without stalling the machinery of legislation is a great problem in the organization of will—a problem with which lawmakers have wrestled since the establishment of parliamentary government upon a basis of democracy.

In the earlier years of our history, complaints have frequently been made, as we have seen, against the iron rules of the majority leaders. Under the rule of Reed and Cannon and other strong party chieftains, a steam roller process has been applied, party discipline has been enforced and legislation has been enacted. But it has been put through without having received much consideration from the rank and file of the members. At the present time it cannot be said that there is an iron rule by party chieftains. Party discipline has been broken as, for example, when the irregular Democrats and Republicans defeated the sales tax proposal last month.



SPEAKER REED, KNOWN AS "CZAR", STEPPING INTO THE LOBBY FROM THE FLOOR OF THE HOUSE

—Harper's Weekly (Culver Service)



© Ewing Galloway

THE MAIN BUSINESS STREET IN MANILA
The capital of the Philippines has progressed rapidly in recent years and now ranks with the world's most modern cities.

INTEREST AROUSED IN PHILIPPINE FREEDOM

(Concluded from page 1, column 1)

during recent years. According to the Department of Labor, there were 11,360 such immigrants in 1929; 8,173 in 1930 and 4,606 in 1931. This section of the bill would be put into operation sixty days after the enactment of the law.

The fourth important provision concerns the status of the islands after the eight-year period shall have elapsed. On the fourth of July, eight years after the new government shall have been set up, the United States government shall withdraw its control of the islands. The Philippines shall at that time be regarded as a separate and independent, as well as a foreign, nation. Then, the president of the United States shall notify all the nations of the world with which we have diplomatic relations that the Philippine Islands are no longer a possession of this country. Should Congress act favorably upon the Hare bill early enough to permit the drafting of a Constitution before the fourth of July of this year, the Filipinos would be completely free by 1940.

The fifth and last provision with which we are at present concerned provides that even after the complete withdrawal of American control over the Philippines, the United States government shall have the privilege and right to maintain certain naval or military bases in the islands. The government of the Philippines would grant certain tracts of land for these purposes. The exact location of these points is to be decided upon with the president of the United States not later than two years after the announcement of complete independence has been made by the chief executive.

OPPOSITION

It is thought that the feature of the Hare bill likely to provoke strong opposition in the Senate is that which provides for the complete severance of political bonds at the end of eight years. The upper chamber has for some time had under consideration an independence measure, the Hawes bill, which would release the Filipinos at the end of nineteen years. It is held that a compromise on any period less than fifteen years would never meet the approval of the Senate. The belief among many senators is that at least fifteen years should be granted to the Filipinos to enable them completely to adjust their affairs and prepare for absolute freedom.

The attitude of the administration is less uncertain. It is quite clearly understood that the president will definitely oppose a Philippine independence bill now. He has openly talked against it. Members of his cabinet have presented strong arguments against the releasing of the Philippines at this time. In view of these facts, it is held highly probable that the president will veto a bill, even if the House and Senate are able to agree upon a definite program.

Since political leaders are so divided on this vital problem and since it will probably command attention from the nation at large during coming months, we shall

inquire into some of the reasons for the alignment into two distinct schools of thought—those who favor independence and those who oppose it. We shall also examine the arguments which proved unusually powerful in obtaining the passage of the Hare bill by the House of Representatives.

ARGUMENT FOR

The increased strength of the independence agitation does not come solely from altruistic motives. It is not merely because a majority of the House desired to comply with the wishes of a people seeking its freedom that the Hare bill was passed. Many congressmen voted in favor of releasing the islands for entirely different reasons. "For the sake of our social and economic welfare, we should release the Philippines and give them complete independence," said one member of the House. It was therefore to benefit the United States, or citizens thereof, that added impetus was given to the movement. There are two powerful groups which brought, and are bringing, pressure to bear upon Congress. On the one hand, those interested in the welfare of the agricultural sections of the nation have come out strongly in favor of independence. On the other, representatives of labor and labor organizations have endorsed the movement.

American farmers object to the present system because it permits the Filipinos to export their goods to this country duty free. Tobacco, sugar, coconut oil, and many other products come into direct competition with the same or similar products of this country. Thus, it is held, the beet growers of Colorado, the cane growers of Louisiana, the tobacco growers of North Carolina all suffer from Philippine competition. Independence would enable the government to erect tariff walls against such products from the islands.

Laborers have voiced strong opposition to unrestricted immigration of Filipinos. They feel that with eight million unemployed citizens in this country, it is an outrage to permit Filipino laborers to take up residence in this country because they are able to work more cheaply and drive others from employment. Agitation from representatives of the states along the Pacific Coast has been particularly strong in this regard. It will be noticed that provisions to cope with these two problems were included in the Hare bill—the first restricting the amount of goods allowed to enter American markets duty free and the second limiting annual immigration to fifty.

OTHER REASONS

In addition to these two arguments advanced by those who favor independence, there are several others which may briefly be summed up as follows: 1. The United States government has repeatedly promised independence to the Philippine Islands as soon as the inhabitants have proved themselves capable of self-government. This has been repeated by presidents of the United States as well as by Congress. In 1916, the policies of the government were included in a resolution, known as the Jones Act, passed by Congress. It stated that "it is, as it has always been, the purpose of the United States to withdraw their sovereignty over the Philippine Islands and to recognize their independence as soon as a stable government can be established therein."

2. The Filipinos are now capable of self-government. In fact, they have already established a stable government. They are now running their own city and provincial governments. Their national legislature—composed of a Senate and a House of Representatives—is made up entirely of native Filipinos. They enact their own laws. They maintain an excellent system of public schools and universities. They have a better system of courts and law enforcement than many independent nations.

3. They are financially prepared to govern themselves. They have been able to balance their budget and now have a surplus in the treasury. They have greatly reduced their public debt.

4. Annual expenditures of money from the United States Treasury for various services and functions in the islands are a continual drain upon the government's resources. We spend every year \$14,500,000 to support the army and navy and civil employees in the Philippines. These, together with other expenditures and the loss of revenue from tariffs, amount to several million dollars each year.

5. Failure to settle the problem is a constant source of ill feeling and uncertainty among the natives. They have been clamoring for independence for so many years, have sent so many independence missions to this country, that they will either become rebellious or degenerate into a "helpless and dependent people," losing all initiative and self-confidence.

ARGUMENT AGAINST

The other group, which includes leading members of Congress as well as Secretary of State Stimson and Secretary of War Hurley, is equally strong in its opposition. The arguments of those who belong to this school of thought may be classed into economic, political and emotional categories. Their outstanding arguments are as follows:

1. Withdrawal of American control of the Philippines would prove dangerous at present. Conditions in the Far East are so unsettled that it would be unwise to subject the Filipinos to foreign aggression. If American control were withdrawn, they would be in danger of attack from Japan or China.

2. They are not prepared for self-government. Should the stabilizing influence of the United States be withdrawn, it

is possible that powerful financial interests of the native population would be able to secure the reins of government and establish a dictatorship, thus depriving the people of their rights to liberty.

3. Independence would bring economic collapse. The Philippines depend largely upon American markets for their prosperity. This country absorbs a large part of their exports. The erection of tariff barriers would cause the sugar industry, for example, to become practically paralyzed. The effect of this upon the entire country would be great. The banks, which have large sums of money tied up in the sugar industry, would face bankruptcy.

4. The islands are not financially able to supply the services which the United States now furnishes. In order to equip the fortifications necessary to protect themselves, the Filipinos would have to accept heavier taxes. In addition, they would have added expenses in providing a diplomatic service of their own. Heavy taxation would prove to be an undesirable burden upon the people.

5. Foreign countries would be unwilling to lend money to develop Philippine industries. They would fear political instability and would be unwilling to risk their money in Philippine ventures. This would greatly handicap further development of the islands because they must have outside capital.

6. American influence and prestige in the Far East would decline rapidly. The Philippines, as an American possession off the coast of Asia, tend to stabilize conditions in the Orient. European powers which have colonies in the Far East would feel obliged to arm more heavily if the American flag no longer waved over the Philippines. This, in turn, would greatly retard the progress of disarmament because the western powers would have a constant fear of attack in the Far East.

7. American trade would suffer from Philippine independence. The islands furnish many raw materials and tropical foodstuffs needed by this country. Furthermore, they buy large quantities of American manufactured goods.

Arriving in London on April 8, Ambassador Mellon made it clear that he had not been sent on a special mission to settle the question of reparations and war debts. This topic seemed to be foremost in the minds of the British when they greeted the former secretary of the treasury.



AN INDEPENDENCE DEMONSTRATION IN MANILA

Such occurrences take place frequently in the islands as the Filipinos continue to agitate for independence. An illustration from "Philippine Uncertainty," by Harry B. Hawes (The Century Co.).

STUDIES IN VOCATIONAL GUIDANCE

VI

FOREIGN SERVICE

Through an arrangement with the Institute for Research, of Chicago, we are able to present facts about vocations which the investigations of that organization have made available. The responsibility for statements made in this sketch is our own, but certain of the facts presented are derived from the studies prepared by the Institute. More complete material may be obtained from "Careers," a publication of the Institute for Research.

Not long ago President Hoover appointed Andrew W. Mellon, who was then secretary of the treasury, to the post of ambassador to Great Britain. He was asking Mr. Mellon to take one of the most important positions which the United States has to offer. As ambassador to Great Britain it is Mr. Mellon's duty to represent the government of the United States in that country. It is through him that our government communicates with the government of Great Britain. He seeks to promote friendly relations between the two countries; he negotiates treaties, arranges for foreign loans, and in general is responsible for handling political matters concerning the two governments.

The United States sends an ambassador or minister (whose duties are the same as those of an ambassador) to the capital of each foreign country with which it has dealings. It also sends consuls to the larger cities of all the foreign countries. The duties of the consuls are chiefly commercial. They study markets and economic conditions in the countries in which they are located; they look after the entrance and departure of United States vessels; they make lists of cargoes exported to the United States; and they deal with passports and visés of travelers. They share with the ambassadors the duty of protecting the lives and property of American citizens abroad.

Ambassadors belong to what is called the Diplomatic Service of the United States. Consuls belong to the Consular Service. These two branches together form the Foreign Service, which is under the direction of the secretary of state. It is through the Foreign Service that the president and the Department of State conduct foreign relations.

Just how does one enter the Foreign Service? That is a question which has frequently come to us from students who are interested in this career. The higher positions are nearly always political. Am-

bassadors, ministers and consuls are appointed by the president, with the consent of the Senate. They are usually men of political or social prominence, of considerable experience, and of enough wealth to enable them to live in the manner expected of them without depending entirely upon their salary. Those below the grade of minister must take examinations, however, before receiving their appointments. In the last few years, there has developed the "career man" in the Foreign Service—the man who enters the Service with the idea of making it his career. Formerly it had been almost impossible for anyone without social prestige and considerable wealth to enter the diplomatic or consular service, but the effort is being made, by increasing the salaries offered and extending the principle of promotion by merit, to make it possible for keen young people who may have no independent means to make foreign service their career.

The method of entering the Foreign Service is by examination—written, oral and physical. To be eligible, one must be a citizen between the ages of twenty-one and thirty-five, a college graduate, and be able to speak at least one foreign language—French, German or Spanish. If he passes the written examination, the candidate is asked to go to Washington, D. C. for the oral examination, after which he is placed on the list of persons eligible for appointment. The first appointment the successful candidate receives is that of unclassified Foreign Service officer, at a salary of from \$1500 to \$3000 a year, and he is given a year of training at the government Foreign Service School. This is considered a period of probation. If he shows a special aptitude for languages, he may be assigned to a further period of study of the Far Eastern or Central European languages. This will open up an attractive field of work which involves interpreting and translating. After one has successfully passed the probation period, he is made a ninth class officer and is then eligible for promotion through the various classes as he earns it.

It should be emphasized that it is difficult to get into the Foreign Service. Out of an average of 140 who take the examinations each year, only about 40 pass, and not all of those who do pass receive an appointment. The qualifications are high—



© Wide World Photos
COLUMBIA PROTESTS THE OUSTING OF THE STUDENT EDITOR OF THE "SPECTATOR"

Rioting Features Student Protest

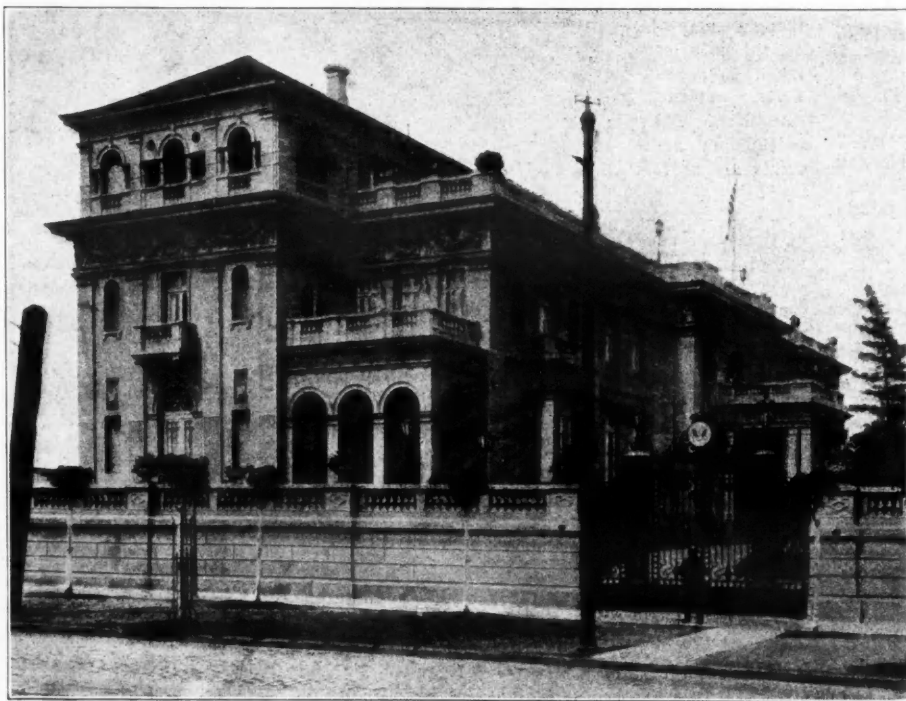
Violent Scene at Columbia over Editor's Dismissal

April 6 was a hectic day for Columbia University in New York City. Protesting against the dismissal of Reed Harris, editor of the *Spectator*, a student publication, about 1,500 students declared a strike. However, what was at first intended as nothing more than a peaceful demonstration was turned into a near riot when the strikers were opposed by other students. The statue of Alma Mater became the target of eggs, apples and other missiles, as orators attempted to make use of it as a rostrum. There were many fist fights and scuffles, banners were displayed and torn down, printed folders were handed out and trampled upon.

The incident arose over attacks which Mr. Harris had made upon the management of the dining hall. He had complained in the columns of the *Spectator* and had unhesitatingly criticized practices carried on in the hall. Previously he had leveled charges against other departments. He had commented severely with respect to the football squad which he accused of having semi-professional members. For these onslaughts, and particularly for the last, the dean, Herbert E. Hawkes, expelled him. Then came the protest. Students demanded that he be reinstated but President Nicholas Murray Butler refused to comply with the demand.

In order to give organization to the protest a number of students determined to strike. They claimed that Harris had the right to freedom of speech and that if the charges he made were unjust they could have been effectively refuted by the proper authorities. But the school authorities turned a deaf ear to their demands. The strike was called, and students belonging to or sympathizing with the various athletic organizations, who had resented Harris' attacks on the football squad, set out to offer opposition. The riot followed. University officials viewed the incident calmly and stated that no action would be taken against the strikers. Classes were resumed the following day.

During the past fifteen years, the federal government has spent \$23,500,000,000 more than it has received if the estimated deficit of the present year is included. A large part of these expenditures were made during and immediately after the World War. In 1919, for example, the total deficit amounted to more than \$14,000,000,000. The deficit for this year, estimated at \$2,500,000,000 is the largest ever to have piled up in times of peace.



A HOME FOR AMERICAN REPRESENTATIVES ABROAD—THE UNITED STATES EMBASSY IN SANTIAGO, CHILE

An illustration from "Careers." (Institute for Research: Chicago)

not only the educational, but also the personal and social. Social poise and attractive personality count for a great deal. Many of the large universities offer special courses which train for foreign service, including such subjects as international law, modern languages, diplomatic usage, modern history and American government and institutions. Even should one not enter the Foreign Service, this study would prove an excellent preparation for other professions, or positions with private concerns such as banks or commercial houses doing an international business. There are also opportunities for foreign service in the Bureau of Foreign and Domestic Commerce, under the direction of the Department of Commerce. Under this Bureau, trade commissioners and commercial attachés are sent to various countries to study trade conditions and markets. The clerks in these foreign offices are usually young men and women who have been transferred from the Washington office of the Bureau. They have secured their positions with the Bureau by civil service examination. There are stenographers, file clerks, statistical clerks, editorial clerks, research assistants, translators and various experts in certain phases of foreign or domestic commerce. A clerk who is transferred to a foreign office stands a good chance of being promoted beyond a clerkship in time. Those who choose this field for their career will need a specialized training such as can be secured in schools of commerce. We should not fail to mention, also, the clerkships in the embassies and consular offices which are open equally to men and women. They include bookkeeping, stenography and filing positions and are not filled by formal examination. Clerks have found them stepping-stones, often, to foreign service appointments, though of course if they wish such an appointment they must take the regular examinations. Anyone wishing more information concerning the Foreign Service should write to the Department of State, Foreign Service Division, Washington, D. C.

After three hours of intense debate on the question of whether the Federal Farm Board should be abolished, the House of Representatives voted on April 8 to allow this organization to continue its operations for at least another year. A move to liquidate the board on June 30 of this year was defeated. The House voted, however, to reduce its appropriation for the next fiscal year by almost half.